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SURFACE TRANSPORTATION BOARD

FIRST UNION RAIL

One O'hare Centre
6250 River Rd, Suite 5000
Rosemont, IL 60018

Tel 847.318.7575
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www.firstunionrail.com

VIA UPS 2nd DAY AIR

June 20, 2012

Chief, Section of Administration
Surface Transportation Board
395 E Street, S.W., Suite 100
Washington, DC 20024
Attn: Recordation of Railroad Equipment

Re: Memorandum of Assignment and Assumption Agreement

Dear Section Chief:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of a Memorandum of Assignment and Assumption Agreement dated May 1, 2012, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Memorandum of Lease which was duly filed with the Surface Transportation Board on March 23, 2011 under Recordation Number 27067-C and on January 18, 2012 under Recordation Number 27067-D. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: ConocoPhillips Company
1257-02 Adams Building
411 South Keeler Avenue
Bartlesville, OK 74004

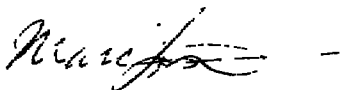
A description of the railroad equipment covered by the enclosed document is for five (5) hopper cars having FURX marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Assignment and Assumption Agreement

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397. Thank you for your cooperation in this matter.

Sincerely,



Marcia Dunne
Senior Rail Documentation Specialist

Enclosures

(PHIL021.023)

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MEMORANDUM OF ASSIGNMENT AND ASSUMPTION AGREEMENT
(Surface Transportation Board)

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF ASSIGNMENT AND ASSUMPTION AGREEMENT is dated as of May 1, 2012, by and between the CONOCOPHILLIPS COMPANY, a Delaware corporation ("Assignor"), and PHILLIPS 66 COMPANY, a Delaware corporation ("Assignee") and FIRST UNION RAIL CORPORATION, a North Carolina corporation (the "Lessor").

The parties to this Memorandum hereby acknowledge and confirm the following:

A. Assignor entered into that certain Lease Agreement dated June 25, 2007, Rider No. 3 dated as of March 11, 2011 and Rider No. 5 dated as of January 4, 2012 between Lessor and Assignor (hereinafter together as amended, modified, supplemented and or replaced from time to time referred to as the "Lease"), covering certain railcars identified on Schedule 1 attached hereto (the "Railcars"). A Memorandum of Lease having been filed with the Surface Transportation on March 23, 2011 under Recordation No. 27067-C and on January 18, 2012 under Recordation No. 27067-D.

B. Assignor and Assignee have entered into that certain Assignment and Assumption Agreement dated as of May 1, 2012 which is evidenced by this Memorandum of Assignment and Assumption Agreement with respect to the Lease and the Railcars, whereby Assignor has assigned to Assignee its rights, title, interest, duties and obligations in, under and with respect to the Lease.

C. The parties hereto wish to show for public record this Memorandum of Assignment and Assumption Agreement and accordingly have caused this Memorandum of Assignment and Assumption Agreement to be executed by their duly authorized officers as of the date first above written.

D. This Memorandum of Assignment and Assumption Agreement may be executed in counterparts, each such counterpart shall be binding to the parties hereto, notwithstanding that the parties are not signatories to the same counterpart.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written (and each of the undersigned declares under penalty of perjury that he or she holds the title indicated below and that the execution of this Memorandum was the free act and deed of its corporation).

ASSIGNOR:

CONOCOPHILLIPS COMPANY

By: Kim Blattle
Name: Kim Blattle
Title: Sourcing & Contracting Sr. Coordinator

ASSIGNEE:

PHILLIPS 66 COMPANY

By: Joseph P. Gallagher
Name: Joseph P. Gallagher
Title: Director, Commercial Products

LESSOR:

FIRST UNION RAIL CORPORATION

By: Richard F. Seymour
Name: RICHARD F. SEYMOUR
Title: VICE PRESIDENT SALES & MARKETING

SCHEDULE 1

RAILCARS

**Rider No. 3
Two (2) Covered Hoppers**

<u>CAR MARK</u>	<u>CAR NUMBER</u>
FURX	892391
FURX	892392

**Rider No. 5
Three (3) Covered Hoppers**

<u>CAR MARK</u>	<u>CAR NUMBER</u>
FURX	892331
FURX	892332
FURX	892333